

SENATE BILL NO. 53

INTRODUCED BY D. HARRINGTON

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4 A BILL FOR AN ACT ENTITLED: "AN ACT INCREASING THE MINIMUM HOURLY WAGE RATE TO \$5.75 AN
5 HOUR BEGINNING JULY 1, 2003, AND TO \$6.25 AN HOUR BEGINNING JULY 1, 2004, OR TO A RATE SET
6 UNDER FEDERAL LAW, WHICHEVER IS GREATER; PROVIDING AN EMPLOYER THE OPTION TO APPLY
7 THE INCREASE TOWARD A BONA FIDE EMPLOYEE HEALTH CARE PLAN; AMENDING SECTION 39-3-409,
8 MCA; AND PROVIDING AN EFFECTIVE DATE."

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10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

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12 **Section 1.** Section 39-3-409, MCA, is amended to read:

13 **"39-3-409. Adoption of minimum wage rates -- exception.** (1) The commissioner shall adopt rules
14 to establish a minimum wage that, except as provided in ~~subsection~~ subsections (2) through (4), must be the
15 same greater of either:

16 (a) the minimum hourly wage rate as provided under the federal Fair Labor Standards Act of 1938 (29
17 U.S.C. 206(a)(1));; or

18 (b) (i) \$5.75 an hour beginning July 1, 2003; and

19 (ii) \$6.25 an hour beginning July 1, 2004.

20 (2) The rates established under subsection (1) exclude excluding the value of tips received by the
21 employee and the special provisions for a training wage.

22 ~~(2)(3)~~ (3) The minimum wage rate for a business whose annual gross sales are \$110,000 or less is \$4 an
23 hour.

24 (4) In lieu of the increase in minimum wage provided in subsections (1)(b)(i) and (1)(b)(ii), an employer
25 may apply an amount equivalent to the increase toward a new or existing bona fide employee health care plan."

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27 NEW SECTION. **Section 2. Effective date.** [This act] is effective July 1, 2003.

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